



INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Department of Insurance

909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050

Phone 502-564-1461 – FAX 502-564-1464

Fraud Statistics/Convictions Activity

May 2010

Fraud Statistics

	<u>Month/May</u>	<u>YTD/April</u>
Total Referrals Received.....	94	403
Closed Referrals.....	73	136
Open Cases (Investigations-includes prior years)		238
Assigned Cases (Investigations).....	6	128
Closed Cases (Investigations).....	25	87
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	1	8
Charges (3 felonies).....	3	92
Convictions (8 felonies, 2 misdemeanors)	10	31
Restitution Ordered.....	\$0.00	117,736.44

Convictions Activity

Willis Duncan – On July 25, 2006, in Pike County, Willis Duncan alleged he tripped over a box of motor oil in the automotive aisle in a Magic Mart. As a result, he claimed that he suffered an injury to his knee and emotional injury including embarrassment. It was discovered that Duncan injured his knee while at work for Jacob Mining four days prior to the Magic Mart incident. An in-store surveillance video was obtained and Duncan was observed limping prior to his alleged fall. After review of the video, the court ordered Duncan to submit to a discovery deposition. Duncan's testimony provided several inconsistencies with the record

and surveillance video. On April 22, 2010, Duncan was arrested and charged with one count of fraudulent insurance acts over \$300. He was taken before the Pike County District Judge where he entered a guilty plea to the charge. He was sentenced to 12 months, which was probated for 24 months, and was ordered to pay court costs in the amount of \$150.50. He also was ordered to pay investigative expenses in the amount of \$1,000 to the Fraud Investigation Division for investigative expenses. All fines and court costs were paid.

Melissa Millward – Between March 21, 2008, and June 27, 2008, Melissa Lynn Millward submitted 24 different applications for insurance to her employer that she knew were false or misleading. Millward was charged with nine felony counts of fraudulent insurance acts over \$300. Count one was amended to fraudulent insurance acts under \$300. She pleaded guilty to all charges. On count one, she was sentenced to 12 months in jail, which was conditionally discharged for two years. On counts two through nine, she was placed on supervised pre-trial diversion for five years and must pay a \$10 monthly supervision fee.